IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA RICHMOND DIVISION

In re:) Case No. 08-35653-KRH
) Chapter 11
CIRCUIT CITY STORES, INC. ¹ , et al.,) (Jointly Administered)
)
Debtors.)
)

OBJECTION OF OFFICIAL UNSECURED CREDITORS' COMMITTEE TO MOTION TO ENFORCE ORDER GRANTING DEBTOR-IN-POSSESSIONS MOTION FOR ORDER SHORTENING NOTICE PERIOD AND LIMITING NOTICE ON DEBTORS' MOTION FOR ORDER UNDER BANKRUPTCY CODE SECTIONS 105, 363(B), AND 503(C)(3) APPROVING A WIND DOWN INCENTIVE AND RETENTION PLAN AND AUTHORIZING PAYMENT OF A WIND DOWN INCENTIVE AND RETENTION PAY TO PLAN PARTICIPANTS

The Official Unsecured Creditors' (the "Committee") of Circuit City Stores, Inc., et al. ("Circuit City" or the "Debtors") hereby submits this objection (the "Objection") to the "Motion to Enforce Order Granting Debtor-in-Possessions Motion for Order Shortening Notice Period and Limiting Notice on Debtors' Motion for Order Under Bankruptcy Code Sections 105,

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¹ The Debtors in these cases include: Circuit City Stores, Inc., Circuit City Stores West Coast, Inc., InterTAN, Inc., Ventoux International, Inc., Circuit City Purchasing Company, LLC, CC Aviation, LLC, CC Distribution Company of Virginia, Inc., Circuit City Properties, LLC, Kinzer Technology, LLC, Abbott Advertising Agency, Inc., Patapsco Designs, Inc., Sky Venture Corp, Prahs, Inc., XSStuff, LLC, Mayland MN, LLC, Courchevel, LLC, Orbyx Electronics, LLC, and Circuit City Stores PR, LLC. The address for Circuit City Stores West Coast, Inc. is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

363(b), and 503(c)(3) Approving a Wind Down Incentive and Retention Plan and Authorizing Payment of a Wind Down Incentive and Retention Pay to Plan Participants" (the "Motion"), filed on behalf of Laurie Lambert-Gaffney (the "Plaintiff"), and respectfully states as follows:

- 1. On November 10, 2008 (the "Petition Date"), each of the Debtors commenced a voluntary case (the "Cases") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). The Debtors have continued to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. 11 U.S.C. §§ 1107(a), 1108.
- 2. On November 12, 2008, the Office of the United State Trustee formed the Committee.
- 3. On March 3, 2009, an Order was entered by this Court granting the Debtor-in-Possession's Motion for Order Shortening Notice Period and Limiting Notice on Debtors' Motion for Oder Under Bankruptcy Code Sections 105, 363(b), and 503(c)(3)

 Approving a Wind Down Incentive and Retention Plan (the "Plan") and Authorizing Payment of a Wind Down Incentive and Petition Pay to Plan Participants.
- 4. In the Fall of 2009, Plaintiff requested payment of \$133,000 under the Plan, claiming that she had fulfilled the obligations required thereunder. The Committee objected to Plaintiff's request, and the Debtors did not make any payment to Plaintiff under the Plan.
 - 5. On or about April 23, 2010, Plaintiff filed the Motion.

- 6. The Committee objects to the Motion on the grounds that (a) Plaintiff has failed to allege sufficient facts to support her contention that she is entitled to any payment under the Plan; and (b) upon information and belief, Plaintiff has not met the requirements that would entitle her to receive an incentive payment under the Plan.
- 7. Last week, the Committee sought Plaintiff's consent to file this Objection after the deadline for submission of opposition papers, but was informed that Plaintiff's counsel was on vacation. On May 10, 2010, the Committee's counsel (John Morris) spoke with Plaintiff's counsel, and he consented to the filing of this Objection. Plaintiff is not prejudiced by this filing because she has been aware since no later than September 2009 that the Committee objects to any payment to her under the Plan.

Dated: May 10, 2010

/s/ Lynn L. Tavenner

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Lead Counsel for the Official Committee of Unsecured Creditors

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of May, 2010 a true copy of the foregoing was electronically served on the parties receiving ECF filings herein and either electronically or by first-class mail served upon Robert A. Canfield, Esquire, Canfield, Baer, Heller & Johnston, LLP, 2201 Libbie Avenue, Suite 200, Richmond, VA 23230 (counsel for Laurie Lambert-Gaffney).

/s/ Lynn L. Tavenner
Co-Counsel